



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

FOR IMMEDIATE RELEASE

November 14, 2002

CALIFORNIA GENERAL FUND RECEIVES \$6.5 BILLION TODAY

Successful completion of record power bond sale replenishes funds loaned for energy purchases

SACRAMENTO, CA – California State Treasurer Phil Angelides announced the successful completion of the State's \$11.3 billion power bond sale today, with the deposit of \$6.5 billion in the State's bank account. It was the largest municipal bond issue in history.

"Today we achieved our goal of restoring funds for education, health care, public safety and other pressing needs," Angelides said.

The final \$7 billion of the power supply revenue bonds were sold last week. Today, those bonds 'closed,' meaning the proceeds of the sale were received by the State's General Fund, including \$5.9 billion in principal repayment and \$525 million in interest. An additional \$163 million was repaid to the State from bond proceeds on October 30, for a total payment of \$6.6 billion. The remainder of the bond proceeds were used to repay an interim loan, fund reserves for the bond program, and pay costs of issuance and credit enhancements.

The \$11.3 bond was comprised of three components -- \$6.3 billion tax-exempt, fixed rate bonds; \$4.25 billion tax-exempt variable and auction rate bonds; and \$700 million taxable fixed rate bonds.

Angelides noted that through the timing of the sale, and the strong structure, the State was able to take advantage of historic low interest rates that will save ratepayers money. A true interest cost of 4.74% was achieved. "We are pleased that the hard work and perseverance put into this transaction resulted in a better deal for ratepayers," the Treasurer concluded.

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